

Auditing Procedures Report

Instructions and MuniCodes

*=Required Fields

Reset Form

Issued under Public Act 2 of 1968, as amended. (V1.07)

Unit Name* Blaine Township	County* BENZIE	Type* TOWNSHIP	MuniCode* 10-1-030
Opinion Date-Use Calendar* Mar 31, 2008	Audit Submitted-Use Calendar* Sep 24, 2008	Fiscal Year End Month* 03	Fiscal Year* 2008

If a local unit of government (authorities & commissions included) is operating within the boundaries of the audited entity and is NOT included in this or any other audit report, nor do they obtain a stand-alone audit, enclose the name(s), address(es), and a description(s) of the authority and/or commission.

Place a check next to each "Yes" or non-applicable question below. Questions left unmarked should be those you wish to answer "No."

<input checked="" type="checkbox"/> ?	1. Are all required component units/funds/agencies of the local unit included in the financial statements and/or disclosed in the reporting entity notes to the financial statements?
<input checked="" type="checkbox"/> ?	2. Does the local unit have a positive fund balance in all of its unreserved fund balances/unrestricted net assets?
<input checked="" type="checkbox"/> ?	3. Were the local unit's actual expenditures within the amounts authorized in the budget?
<input checked="" type="checkbox"/> ?	4. Is this unit in compliance with the Uniform Chart of Accounts issued by the Department of Treasury?
<input checked="" type="checkbox"/> ?	5. Did the local unit adopt a budget for all required funds?
<input checked="" type="checkbox"/> ?	6. Was a public hearing on the budget held in accordance with State statute?
<input checked="" type="checkbox"/> ?	7. Is the local unit in compliance with the Revised Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, and other guidance as issued by the Local Audit and Finance Division?
<input checked="" type="checkbox"/> ?	8. Has the local unit distributed tax revenues, that were collected for another taxing unit, timely as required by the general property tax act?
<input checked="" type="checkbox"/> ?	9. Do all deposits/investments comply with statutory requirements including the adoption of an investment policy?
<input checked="" type="checkbox"/> ?	10. Is the local unit free of illegal or unauthorized expenditures that came to your attention as defined in the Bulletin for Audits of Local Units of Government in Michigan, as revised (see Appendix H of Bulletin.)
<input checked="" type="checkbox"/> ?	11. Is the unit free of any indications of fraud or illegal acts that came to your attention during the course of audit that have not been previously communicated to the Local Audit and Finance Division? (If there is such activity, please submit a separate report under separate cover.)
<input checked="" type="checkbox"/> ?	12. Is the local unit free of repeated reported deficiencies from previous years?
<input checked="" type="checkbox"/> ?	13. Is the audit opinion unqualified? 14. If not, what type of opinion is it? NA
<input checked="" type="checkbox"/> ?	15. Has the local unit complied with GASB 34 and other generally accepted accounting principles (GAAP)?
<input checked="" type="checkbox"/> ?	16. Has the board or council approved all disbursements prior to payment as required by charter or statute?
<input checked="" type="checkbox"/> ?	17. To your knowledge, were the bank reconciliations that were reviewed performed timely?
<input type="checkbox"/> ?	18. Are there reported deficiencies? <input type="checkbox"/> 19. If so, was it attached to the audit report?

General Fund Revenue: ?	\$ 83,619.00
General Fund Expenditure: ?	\$ 80,555.00
Major Fund Deficit Amount:	\$ 0.00

General Fund Balance: ?	\$ 127,669.00
Governmental Activities Long-Term Debt (see instructions): ?	\$ 0.00

We affirm that we are certified public accountants (CPA) licensed to practice in Michigan. We further affirm the above responses have been disclosed in the financial statements, including the notes, or in the Management Letter (reported deviations).

CPA (First Name)* David	Last Name* Wilson	Ten Digit License Number* 1101013769		
CPA Street Address* PO Box 205	City* Interlochen	State* MI	Zip Code* 49643	Telephone* +1 (231) 276-7668
CPA Firm Name* David E Wilson CPA	Unit's Street Address* 4760 Herring Grove	Unit's City* Arcadia	Unit's Zip* 49613	

BLAINE TOWNSHIP
BENZIE COUNTY, MICHIGAN

Audit Report

For Year Ended
March 31, 2008

Wilson, Ward CPA Firm
PO Box 205
Interlochen, MI 49643
(231) 276-7668

BLAINE TOWNSHIP
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Blaine Township Board
Arcadia, Michigan

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Blaine Township, Benzie County, Michigan, as of and for the year ended March 31, 2008, which collectively comprise the Blaine Township's basic financial statements and have issued our report thereon dated July 8, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

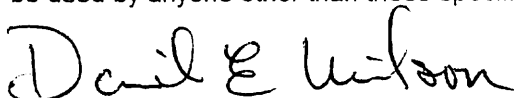
Internal Control Over Financial Reporting

In planning and performing our audit, we considered Blaine Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Blaine Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the audit committee, management, township board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Interlochen, MI
July 8, 2008

Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Township Board
Blaine Township
Arcadia, Michigan

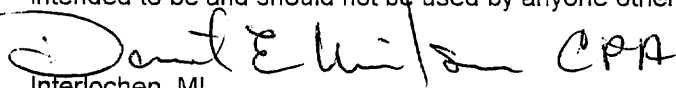
We have audited the accompanying statement of net assets, activities, each major fund, and the aggregate remaining fund information of Blaine Township, Michigan as of and for the year March 31, 2008, which collectively comprise Blaine Township, Michigan's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Blaine Township, Michigan's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Blaine Township as of March 31, 2008, and the respective changes in financial position and cash flows, where applicable, thereof and the budgetary comparison for each major fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated July 8, 2008 on our consideration of Blaine Township, Michigan's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contract and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of the management, others within the organization, Township Board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


Interlochen, MI
July 8, 2008

BLAINE TOWNSHIP

Management's Discussion and Analysis

Using this Annual Report

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Township as a whole and present a longer-term view of the Township's finances. Fund financial statements tell how these services were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the Township's operations in more detail than the government-wide financial statements.

The Township as a Whole

The Township's combined net assets decreased 9% from two years ago - decreasing from \$310,022 to \$284,471. This was primarily caused by capital expenditures for new floor covering, road improvements, refrigerator, and computer.

The Township's Funds

Our analysis of the Township's finds one major fund other than the general fund. The fund financial statements provide detail information about the most significant funds, not the Township as a whole. The Township Board can create funds to help manage money for specific purposes as well as to show accountability for certain activities such as special property tax millages.

The General Fund pays for all of the Township's governmental services. The amount transferred to the General Fund is supported by a detailed calculation of the current year costs.

General Fund Budgetary Highlights:

Over the course of the year the Township Board was able to maintain the township departments within their prescribed budgets.

Economic Factors and Next Year's Budgets and Rates:

There are no significant budgetary changes for the next fiscal year.

General Overview of the Accomplishments of Blaine Township in the 2007-2008 Fiscal Year:

The Township finances have been managed very closely. This shows in the fund balance. The Township is in a very healthy state as a whole.

Contacting the Township's Management:

This financial report is intended to provide our citizens, taxpayers, customers and investors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the clerk's office at (231) 352-9880

Blaine Township
Governmental Funds Balance Sheet
Statement of Net Assets
March 31, 2008

	Governmental Activities	Total
ASSETS		
Cash and cash equivalents	\$158,447	\$158,447
Investments	10,270	10,270
Receivables (net)	2,070	2,070
Internal balances		0
Inventories		0
Capital Assets, net (Note 1)	115,718	115,718
Total Assets	286,505	286,505
LIABILITIES		
Accounts payable	2,034	2,034
Deferred revenue		0
Noncurrent liabilities:		0
Due within one year		0
Due in more than one year		0
Total Liabilities	2,034	2,034
NET ASSETS		
Invested in capital assets, net of related debt	115,718	115,718
Restricted for:		
Capital projects		
Perpetual care	37,450	37,450
Unrestricted	131,303	131,303
Total Net Assets	284,471	284,471
Total Liabilities and Net Assets	\$286,505	\$286,505
 Reconciliation of Governmental		
Unreserved Fund Balance		168,753
Add Net Assets		115,718
Total Net Assets		284,471

Blaine Township
Statement of Activities
For Year Ended March 31, 2008

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government
					Governmental Activities
Primary government					
Governmental activities:					
General government	\$80,555	\$0	\$0	\$0	\$80,555
Public safety					0
Public works					0
Health and Recreation					0
Community and Economic Development	6,221				6,221
Recreation and Culture					0
Interest on Long Term Debt					0
Total Governmental Activities	86,776	0	0	0	86,776
					General revenues:
					Property Taxes-general
					41,319
					Property Taxes-debt service
					0
					State-Shared Revenues
					35,515
					Unrestricted Investment Earnings
					5,964
					Franchise taxes
					2,285
					Miscellaneous
					425
					Total General Revenues
					85,508
					Depreciation
					0
					Total General Revenues-Special Items and Transfers
					85,508
					Changes in Net Assets
					(1,268)
					Net Assets - Beginning
					170,021
					Net Assets - Ending
					\$168,753
					Reconciliation to Governmental Income:
					Income Per Governmental Sheet
					(\$1,268)
					Governmentally expensed Assets
					\$0
					Subtract Depreciation
					\$0
					Per Statement of Activities
					(\$1,268)

Blaine Township
Balance Sheet
All Governmental Fund Types
March 31, 2008

	General Fund	Cemetery Perpetual Fund	Non-Major Funds	Total
ASSETS				
Cash and cash equivalents	\$127,633	\$27,180	\$3,634	\$158,447
Investments	0	10,270		10,270
Receivables (net)	\$2,070			2,070
Internal balances				0
Inventories				0
Total Assets	129,703	37,450	3,634	170,787
LIABILITIES				
Accounts payable	\$498			498
Accrued Salaries & Wages	\$1,536			1,536
Deferred revenue				0
Total Liabilities	2,034	0	0	2,034
Fund Equity				
Fund Balances				
Reserved		37,450		37,450
Unreserved	127,669		3,634	131,303
Total Net Assets	127,669	37,450	3,634	168,753
Total Liabilities and Net Assets	\$129,703	\$37,450	\$3,634	\$170,787

Blaine Township
Statement of Revenues, Expenditures and Changes in Fund Balance
All Governmental Fund Types

For the Year Ended March 31, 2008

	Governmental Fund Types			Total Governmental
	General Fund	Cemetery Perpetual Fund	Other Non-Major Funds	
Revenues				
Taxes	\$41,319			\$41,319
State of Michigan	35,515			35,515
Charges for Services	0	425		425
Interest & Rentals	2,285			2,285
Interest Earnings	4,500	1,464		5,964
Total Revenues	83,619	1,889	0	85,508
Expenditures				
Current				
Legislative	43,954			43,954
General Government	36,601			36,601
Miscellaneous	0	6,221		6,221
Total Expenditures	80,555	6,221	0	86,776
Excess Revenue (Expenditures)	3,064	(4,332)	0	(1,268)
Operating Transfers In	0			0
Operating Transfers (Out)				0
Fund Balance/Retained Earnings - Beginning of Year	124,605	41,782	3,634	170,021
Fund Balance/Retained Earnings - End of Year	\$127,669	\$37,450	\$3,634	\$168,753

**BLAINE TOWNSHIP
FOOTNOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDING MARCH 31, 2008**

1. Summary of Significant Accounting Policies

The accounting policies of the Township conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant accounting policies.

A. Reporting Entity

Blaine Township is located in Benzie County, Michigan. The Township is governed by an elected five member board. Services are provided to approximately 491 residents and include fire protection (subcontracted) and general community enrichment services. The criteria established for determining the various agencies and boards to be included in the Township's general purpose financial statements depends on the extent such agencies and boards are a part of, controlled by or dependent on the Township. The criterion used to determine the reporting entity, "is the ability to exercise oversight responsibility over such agencies by the governmental unit's elected officials."

B. Summary of Significant Accounting Policies

Basis of Presentation

The accounts of the government are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

Beginning with the fiscal year 2005-06 Blaine Township was subject to GASB 34 reporting standards. This creates a new report at the fund level which reports the general fund and only major funds with the remainder reported in one column as "Other Non-major Funds". It also eliminates the groups of accounts and the internal service funds. The new top level reports uses full accrual accounting which includes the fixed assets with appropriate depreciation and long term debt. The Trust and Agency Funds are reported separately.

Basis of Accounting

Basis of Accounting refers to how revenue and expenditures or expenses are recognized in the account and reported in the financial statements. The basis of accounting, as required under generally accepted accounting principles, varies for each fund.

General, special revenue, debt service, capital projects and trust and agency funds should be accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue is recognized in the accounting period in which it becomes available and measurable. Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable.

Enterprise funds should be accounted for using the accrual basis of accounting. Under the accrual basis of accounting, revenue is recognized in the accounting period in which it is earned and becomes measurable. Expenses are recognized in the accounting period incurred, if measurable.

**BLAINE TOWNSHIP
FOOTNOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDING MARCH 31, 2008**

The accounting policies of Blaine Township conform to generally accepted accounting principles and include the following fund types

1. Government Fund Types use modified accrual basis and include -

The *general funds* account for fiscal resources in use for general types of operations. The general fund is a budgeted fund and any fund balances are considered as resources available for use. Revenues are derived primarily from property taxes and state and federal distributions, grants and other intergovernmental revenues.

The *special revenue funds* account for specific governmental revenues requiring separate accounting because of legal or regulatory provisions or administrative action. These funds are employed to maintain integrity for the various sources of fund.

The *capital projects funds* account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

2. Fiduciary fund types include -

The *Trust and Agency Fund* is unbudgeted and accounts for activities within those areas wherein the Township is operating in either a trust or agency status. These funds have no equity, assets are equal to liabilities, and do not include revenues and expenditures for general operations of the Township.

C. Budgets and Budgetary Accounting

The general fund and enterprise fund types are under formal budgetary control. Budgets shown in the financial statements for these funds were prepared on a basis the same as the modified accrual basis used to reflect operations and include those amounts formally appropriated by the Township Board.

D. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results could differ from those estimates.

2. Excess of Expenditures over Appropriations

The local unit shall not incur expenditures in excess of appropriations. This also requires a disclosure of all such functional areas which exceeded budget. As such, a budgeted statement is included in the supplementary data portion of these financial statements.

3. Financial Control of Funds

As authorized by Act 20, Public Act of 1943, as amended, states that the Township, by resolution may authorize its treasurer to invest surplus funds in the following manner:

**BLAINE TOWNSHIP
FOOTNOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDING MARCH 31, 2008**

1. Direct obligations of the United States or an agency or instrumentality of the United States.
2. In any account or depository which is a member of the F.D.I.C. or a savings and loan which is a member of the Federal Savings and Loan Insurance Corporation, or a credit union which is insured by the National Credit Union Administration.
3. Fifty percent of the funds may be invested in commercial paper rated at the time of purchase within the three highest classifications by not less than two standard rating agencies and which mature not more than 270 days following the date of purchase.
4. In United States Government of federal agency obligations repurchase agreements.
5. In bankers acceptances of the United States banks.
6. In mutual funds composed of investment vehicles which are legal for direct investment of local units of government in Michigan.

4. Cash and Investments

Deposits of the Township are as authorized by the Township Board. A summary of these accounts and amounts is included in the supplemental data section of this report. All funds of Blaine Township have been invested in those depositories or investments as authorized by Michigan Compiled Laws Section 129.91. The balance sheet account for all funds includes all cash, investments and imprest (petty cash) funds.

In accordance with GASB Statement No. 3, risk disclosures must be made to indicate the amounts of cash insured or uninsured. A general summary of these assets is as follows:

	<u>Carrying Value</u>
General Fund	
Insured	\$ 18,248
Uninsured	\$ 0
Perpetual Cemetery Fund	\$ 1,180
RVS Mutual Fund Class A	\$ 10,270 FMV

The Township also has \$139,018 invested in certificates of deposit which are not reported according to risk.

5. Pension Plan

The Township does not participate in a defined contribution pension plan.

6. Changes in General Fixed Assets

General Fixed Assets have been acquired for general township purposes and at the time of purchase were recorded as expenditures. The assets have been capitalized in the General Fixed Asset records as required by GASB 34. As a Township policy, assets valued at less than \$1,000 are considered to be supplies and are not recorded as fixed assets.

**BLAINE TOWNSHIP
FOOTNOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDING MARCH 31, 2008**

Capital asset balances and activity for the year ended March 31, 2008 were as follows:

	Balance 3/31/06	Increases	Decreases/ Transfer	Balance 3/31/08
Primary Government				
Governmental Activities				
Capital assets, not being depreciated				
Land	<u>\$46,480</u>			<u>\$46,480</u>
Total capital assets not being depreciated	46,480			46,480
Capital assets, being depreciated				
Building	109,884			109,884
Equipment	10,633			10,633
Land Improvements	<u>7,966</u>	<u>6,571</u>		<u>14,537</u>
Total capital assets being depreciated	<u>128,483</u>	<u>6,571</u>		<u>135,054</u>
Less accumulated depreciation for:				
Buildings	48,488	4,830		53,318
Equipment	10,633			10,633
Land Improvements	<u>648</u>	<u>1,217</u>		<u>1,865</u>
Total accumulated depreciation	<u>59,769</u>	<u>6,047</u>		<u>65,816</u>
Total Capital assets, being depreciated, net	68,714	524		69,238
Governmental activities capital assets, net	<u>\$115,194</u>	<u>\$ 524</u>		<u>\$115,718</u>

7. Compensated Absences and Post Employment Benefits

The township does not pay for compensated absences and has no post employment benefits.

8. Contingent Liabilities

There are no known contingent liabilities.

9. Risk Management

The township carries commercial insurance as a protection against risk.

**BLAINE TOWNSHIP
FOOTNOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDING MARCH 31, 2008**

10. Taxes receivable

Taxes receivable reflected in the general fund represent delinquent real property taxes and tax administration fees on delinquent real property taxes. Benzie County funds the delinquent tax roll by selling tax notes annually and distributing the proceeds to the governmental units currently. Accordingly, these delinquent taxes and related fees are recorded as revenue in the current year.

11. Other post employment benefits (OPEB)

The township has no post employment benefits.

Supplemental Statements

David E Wilson CPA

P.O. Box 205
3015 M-137
Interlochen, MI 49643


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E-mail: wilson@wilsonward.com

To the Blaine Township Board
Arcadia, MI

We have audited the combined financial statements of Blaine Township for the year ended March 31, 2008. Our audits were made for the purpose of forming an opinion on the combined financial statements taken as a whole. The accompanying schedules, as listed in the table of contents, are presented for purposes of the additional analysis and are not a required part of the combined financial statements. Such information has been subjected to the auditing procedures applied in the audits of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

A handwritten signature in black ink that reads "David E Wilson, CPA". The signature is written in a cursive, flowing style.

Interlochen, MI
July 8, 2008

General Fund

**Blaine Township
Balance Sheet
General Fund**

As of March 31, 2008

Assets

Cash In Bank and Investments	\$127,633
Accounts Receivable	
Taxes Receivable	2,070
Prepaid Insurance	0
Due From Other Funds	
Construction Work In Progress	
Total Assets	<u>129,703</u>

Liabilities and Fund Balance

Liabilities

Accounts Payable	498
Accrued Salaries & Wages	1,536
Due To Other Funds	
Compensated Absences	
Total Liabilities	<u>2,034</u>

Fund Balance

Reserved for Equipment Replacement	0
Unreserved	<u>127,669</u>
Total Fund Balance	<u>127,669</u>

Total Liabilities and Fund Balance	<u>\$129,703</u>
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THE FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

Blaine Township
Statement of Revenues, Expenditures and Changes in Fund Balance-Budget Vs Actual
General Fund

For the Year Ended March 31, 2008

	Budget Beg. Year April 01, 2007	Budget Year Ended March 31, 2008	Actual Year Ended March 31, 2008	Variance Favorable (Unfavorable)
Revenue				
Current Property Taxes	\$43,200	\$43,200	\$41,319	(\$1,881)
State Shared Revenues	34,000	34,000	35,515	1,515
Earned Interest	3,000	3,000	4,500	1,500
Rents and Royalties	3,000	3,000	2,285	715
Cemetery	0	0	0	0
Total Revenue	83,200	83,200	83,619	1,849
Expenditure				
Legislative				
Total Township Board	6,600	6,600	6,953	(353)
Total Township Supervisor	4,254	4,254	4,582	(328)
Total Elections	2,100	2,100	2,102	(2)
Total Clerk	6,700	6,700	7,526	(826)
Total Treasurer	8,800	8,800	9,231	(431)
Total Town Hall	5,900	5,900	4,253	1,647
Total Assessor	8,660	8,660	8,600	60
Total Board of Review	900	900	707	193
Total General Government	43,914	43,914	43,954	(40)
Other Expenditures				
Total Miscellaneous	20,000	20,000	0	20,000
Total Roads	310	310	3,711	(3,401)
Total Fire	32,757	32,757	32,890	(133)
Total Cemetery	10,000	10,000	0	10,000
Total Liquor Law Enforcement	500	500	0	500
Total Other Expenditures	63,567	63,567	36,601	26,966
Total Expenditures	107,481	107,481	80,555	26,926
Excess Revenues	(24,281)	(24,281)	3,064	(25,077)
Excess Revenue & Other Financing Uses Over (Under) Expenditures			3,064	
Fund Balance - Beginning of Year			124,605	
Fund Balance - End of Year			<u>\$127,669</u>	

THE FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

Other Major Funds

**Blaine Township
Balance Sheet
Cemetery Fund**

As of March 31, 2008

Assets

Cash In Bank	\$37,450
Taxes Receivable	\$0
Due from General Fund	0
Total Assets	<u>37,450</u>

Liabilities and Fund Balance

Fund Balance	
Reserved for Equipment Replacement	0
Unreserved	37,450
Total Fund Balance	<u>37,450</u>
Total Liabilities and Fund Balance	<u>\$37,450</u>

THE FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

Blaine Township
Statement of Revenues, Expenditures & Changes in Fund Balance
Cemetery Fund

For The Year Ended March 31, 2008

<u>Revenues</u>	
Sales	\$425
Interest	1,464
Misc	<u>0</u>
Total Revenue	<u>1,889</u>
<u>Expenditures</u>	
Maintenance and Improvement	6,221
Capital Expenditures	<u>0</u>
Total Expenditures	<u>6,221</u>
Excess Revenues (Expenditures)	(4,332)
Fund Balance - Beginning of Year	<u>41,782</u>
Fund Balance - End of Year	<u><u>\$37,450</u></u>

THE FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

Non-Major Funds

**Blaine Township
Balance Sheet
Cemetery Improvement Fund**

As of March 31, 2008

<u>Assets</u>	
Cash In Bank	\$3,634
Prepaid Insurance	<u>0</u>
Total Assets	<u><u>\$3,634</u></u>
<u>Liabilities and Fund Balance</u>	
Liabilities	
Accounts Payable	\$0
Due to General Fund	<u>0</u>
Total Liabilities	0
Fund Balance	
Reserved for Equipment Replacement	0
Unreserved	<u>3,634</u>
Total Fund Balance	<u><u>3,634</u></u>
Total Liabilities and Fund Balance	<u><u>\$3,634</u></u>

THE FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

Blaine Township
Statement of Revenues, Expenditures & Changes in Fund Balance
Cemetery Improvement Fund

For The Year Ended March 31, 2008

<u>Revenues</u>	
Plot Sales	\$0
Interest	0
Miscellaneous	0
Total Revenue	<u>0</u>
<u>Expenditures</u>	
Contract Services	0
Capital Expenditures	0
Total Expenditures	<u>0</u>
Excess Revenues (Expenditures)	0
Transfer From General Fund	0
Fund Balance - Beginning of Year	<u>3,634</u>
Fund Balance - End of Year	<u><u>\$3,634</u></u>

THE FOOTNOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

July 08, 2008

To The Township Board
Blaine Township
Arcadia, Michigan

We have audited the financial statements of the Township of Blaine for the year ended March 31, 2008 and have issued our report thereon dated July 08, 2008. Professional standards require that we provide you the following information related to our audit.

Our Responsibility under Generally Accepted Auditing Standards

As stated in our engagement letter dated July 8, 2008 our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Significant Accounting Policies

Management has the responsibility for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement, we will advise management of the appropriateness of the accounting policies and their application. The significant accounting policies used by the Township of Blaine are described in the notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by Township of Blaine's books during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transactions occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Audit Adjustments

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material; either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements of the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 08, 2008.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management during the audit. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We wish to thank the staff for their support and assistance during our audit.

This information is intended solely for the use of the Township Board, and management of the Township of Blaine and is not intended to be and should not be used by anyone other than these specified parties.

Interlochen, MI
July 08, 2008